

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	CASE NO.
FOR APPROVAL OF MASTER POWER)	2018-00050
PURCHASE AND SALE AGREEMENT AND)	
TRANSACTIONS THEREUNDER)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO
SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

South Kentucky Rural Electric Cooperative Corporation ("South Kentucky"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due on or before April 5, 2018. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

South Kentucky shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which South

Kentucky fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, South Kentucky shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

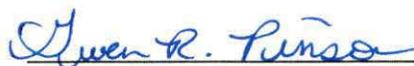
1. Refer to South Kentucky's response to Commission Staff's First Request for Information ("Staff's First Request"), Items 3, 13, and 15, which state that East Kentucky Power Cooperative ("EKPC") required South Kentucky to become a PJM Interconnection, LLC ("PJM") member as a condition of exercising Amendment 3 and Memorandum of Understanding ("MOU") rights. Explain the basis for EKPC's requirement.

2. Refer to South Kentucky's response to Staff's First Request, Item 11, which states that South Kentucky expects the cost of purchased power to be less if the proposed transaction is approved. Explain whether South Kentucky expects to lower its rates if the proposed transaction is approved and executed.

3. Refer to South Kentucky's response to EKPC's First Request for Information ("EKPC's First Request"), Items 2 and 28. Explain whether EnerVision will provide consulting services to South Kentucky related to the Master Power Purchase and Sale Agreement ("Agreement") in the event the Agreement is approved by the Commission and executed by South Kentucky and Morgan Stanley Capital Group ("Morgan Stanley Capital"). If EnerVision will provide future consulting services related to the Agreement, provide an estimate of the costs.

4. Refer to South Kentucky's response to EKPC's First Request, Item 10, which references that South Kentucky is actively exploring whether EKPC, Morgan Stanley Capital, or some other party can act as South Kentucky's agent as a Market Participant in PJM. Provide the status of this determination and explain what actions South Kentucky has undertaken to make this determination.

5. Refer to South Kentucky's response to EKPC's First Request, Item 28, which states that South Kentucky's agent will administer the Agreement with Morgan Stanley Capital. Explain South Kentucky's expected contractual obligations under an agency agreement, whether the agency agreement is with EKPC or any other entity.



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DATED MAR 27 2018

cc: Parties of Record

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